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OFFICE OF THE SECRETARY



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January 22, 2002

Ex Parte

Ms. Magalie Roman Salas
Secretary
Federal Communications Commission
445 12th St., S.W. – Portals
Washington, DC 20554

*RE: Application by Verizon-New Jersey Inc. for Authorization To Provide In-Region,
InterLATA Services in State of New Jersey, Docket No. 01-347 - REDACTED*

Dear Ms. Salas:

Per the request of the CCB staff, I am writing to clarify certain information provided in Verizon's New Jersey 271 filing. The twenty-page limit does not apply as set forth in DA 01-2746.

Verizon recently discovered a software programming error that caused certain trouble reports for Special Services to be excluded from its Carrier-to-Carrier Performance Reports. This software programming error affected Carrier-to-Carrier Performance Reports for the former Bell Atlantic south states. (It did not affect any of the Carrier-to-Carrier Performance Reports for any of the former Bell Atlantic north states.) Verizon also discovered that special access circuits were inadvertently included in the retail comparison group for Special Services, contrary to the New Jersey business rules. These errors affected the installation quality measures and the maintenance measures for both resale and unbundled Special Services.¹

The Special Services product category includes high capacity loops, interoffice facilities and loop/transport combinations. As of October 2001, Verizon has provisioned about 190 high capacity DS-1 loops in New Jersey, which represent only about 0.2 percent of all unbundled loops provisioned to competitors. In addition, as of October 2001, Verizon has in service

¹ Verizon also understands that a small number of retail observations were excluded from the retail performance results. Although these observations are not included on the recomputed results, Verizon is working to modify its systems to capture these observations. Verizon believes that the inclusion of these observations will have an insignificant effect on Verizon's performance for the retail comparison group.

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approximately 430 dedicated transport arrangements and about 130 loop/transport combinations in New Jersey.

Verizon has recomputed the New Jersey Carrier-to-Carrier performance measures that were affected by these errors for the months of August, September, October and November 2001. These recomputed results are shown on the enclosed Special Reports. (In addition to the Special Reports, Verizon has included the order detail used to perform the recalculations. The order detail is CLEC specific and has been redacted. A confidential version is also being filed) These corrections do not have a material impact on Verizon's reported performance.

Resale Special Services.

The results show that Verizon received very few installation trouble reports (trouble reports submitted within 30 days of installation of a Special Services circuit) for resold Special Services in New Jersey. Verizon received only one installation trouble report on resold Special Services in October and none in August, September and November. These small numbers of installation trouble reports are too few to provide meaningful performance results. The Commission has previously recognized that "performance data based on low volumes of orders or other transactions is not as reliable an indicator of checklist compliance as performance based on larger numbers of observations." *Kansas/Oklahoma Order* ¶ 36. *See also Kansas/Oklahoma Order* ¶ 196 n.565 (noting that SWBT's data were affected by small numbers where only seven competing carriers reported trouble reports on DSL loops in September 2000, and only one of those carriers experienced a repeat trouble).

Despite these low volumes, the recomputed results show that Verizon's installation quality on resold Special Services is excellent. During August, September and November 2001, Verizon had no installation troubles on resold Special Services and during October, less than one percent of resold Special Services had installation troubles reported within 30 days, which was better than the performance for the retail comparison group.

The recomputed results also show that Verizon received very few total trouble reports for resold Special Services where the trouble was found in the Verizon network. Verizon received only 12 trouble reports in August for resold Special Services in New Jersey, 11 trouble reports in September, 9 trouble reports in October and none in November.

Despite these low volumes, the recomputed results show that Verizon's maintenance quality on resold Special Services is excellent. During August, September, October and November 2001, the average network trouble report rate on resold Special Services in New Jersey was less than one half of one percent, as was the report rate for the retail comparison. During this same period the mean time to repair resold Special Services in New Jersey was either better than or within an hour of the retail comparison group. Finally, the repeat trouble report rate was in parity for three of the four months.

Unbundled Special Services.

As the Commission has already noted, “where performance data is based on a low number of observations, small variations in performance may produce wide swings in the reported performance data.” *Kansas/Oklahoma Order* ¶ 36. The same wide swings in reported results could, of course, be attributable to minor corrections in data and be just as meaningless. This is true with respect to Verizon maintenance performance for Special Services in New Jersey. For example, the network trouble report rate for unbundled Special Services fell from 9.30 percent in November to 2.59 percent under the recomputed results. In addition, Verizon’s reported repeat trouble report rate for unbundled Special Services fell from 100 percent (with one observation) in October to 15.38 percent (with 13 observations) under the recomputed results and from 50 percent in August (with 2 observations) to 14.29 percent (with 21 observations) under the recomputed results.

The recomputed results for provisioning quality show that Verizon received very few installation trouble reports (trouble reports submitted within 30 days of installation of a Special Services circuit) for unbundled Special Services in New Jersey. Verizon received only 6 installation trouble reports on unbundled Special Services in August and November and only 7 installation troubles in September and October. As noted above, these small numbers of installation trouble reports are too few to provide meaningful performance results and are “not as reliable an indicator of checklist compliance.” *Kansas/Oklahoma* ¶ 36. Moreover, the difference between the recomputed results for installation quality on unbundled Special Services and the retail comparison group is consistent with the installation quality difference the Commission noted in another 271 approval order. *See, e.g., Connecticut Order* ¶ 21 n.49 (comparing wholesale installation quality performance of 11.3 percent to retail performance of 4.2 percent).

The recomputed results also show that Verizon received very few total trouble reports for unbundled Special Services where the trouble was found in the Verizon network. Verizon received only 21 trouble reports in August for unbundled Special Services in New Jersey, 19 trouble reports in September, 13 trouble reports in October and 21 trouble reports in November. These small numbers of total trouble reports are too few to provide meaningful performance results for Special Services maintenance. As explained above, under these circumstances “small variations in performance may produce wide swings in the reported performance data.” *Kansas/Oklahoma Order* ¶ 36. *See also Missouri/Arkansas Order* ¶ 107 n.335 (noting that SWBT’s repair time for DS-1 loops in Arkansas had such low volumes during a four month period (17 trouble reports in April; 23 trouble reports in May; 17 trouble reports in June; and 31 trouble reports in July) that any missed performance would exaggerate the statistical disparity).

Despite these low volumes, the recomputed results show that Verizon’s maintenance quality on unbundled Special Services is acceptable under the Commission’s prior 271 Orders. During August, September, October and November 2001, the network trouble report rate on unbundled Special Services in New Jersey was, on average, less than two and one half percent. The Commission has generally found such performance to be acceptable. *See, e.g., Connecticut Order* ¶ 21 n.51 (Network Trouble reports for competitive LECs were reported slightly more often than for Verizon’s retail customers, but still less than three percent of the time).

During August, September, October and November 2001, the mean time to repair unbundled Special Services in New Jersey was, on average, within about two and a half hours of the retail comparison group. This difference is not competitively significant and the Commission has generally found such performance to be acceptable. *See, e.g., Massachusetts Order* ¶ 172 n.547 (finding a 16 hour mean time to repair for unbundled DSL loops and a 10 hour retail mean time to repair to be comparable).

Finally, during August, September, October and November 2001, Verizon's repeat trouble report rate for unbundled Special Services in New Jersey was at parity or better.

Where the number of observations are very limited, as in the case of Special Services in New Jersey, the reported performance of some measures will likely show some disparity from the performance of the retail comparison group. But the Commission has already found that "[i]solated cases of performance disparity, especially when the margin of disparity or the number of instances measured is small, will generally not result in a finding of checklist noncompliance." *Connecticut Order* ¶ 12.

Please let me know if you have any questions.

Sincerely,

A handwritten signature in cursive script, appearing to read "Clint E. Odom".

Clint E. Odom

Attachments

cc: A. Johns
S. Pie

ATTACHMENT REDACTED

Carrier to Carrier
Performance Standards and Reports
August 2001
Verizon New Jersey

CLEC Aggregate Performance
RESALE PROVISIONING - POTS / SPECIAL SERVICES

Special Services - Provisioning

	Standard	Actual Performance		Number of Observations	
		VZ	CLEC Aggregate	VZ	CLEC Aggregate
PR-6 - Installation Quality					
PR-6-01-2200 % Installation Troubles reported within 30 Days	Parity with VZ Retail	3.14	0.00	1337	41
PR-6-03-2200 % Installation Troubles reported within 30 Days - FOK/TOK/CPE	No Standard	0.97	4.88	1337	41

RESALE MAINTENANCE - POTS/SPECIAL SERVICES

Special Services - Maintenance

MR-2 - Trouble Report Rate					
MR-2-01-2200 Network Trouble Report Rate - Total	Parity with VZ Retail	0.22	0.59	369377	2019
MR-2-05-2200 % CPE/TOK/FOK Trouble Report Rate	No Standard	0.32	1.14	369377	2019
MR-4 - Trouble Duration Intervals					
MR-4-01-2200 Mean Time To Repair - Total	Parity with VZ Retail	5.45	5.56	797	12
MR-4-02-2200 Mean Time to Repair - Loop Trouble - Specials	Parity with VZ Retail	7.20	6.14	459	10
MR-4-04-2200 % Cleared (all troubles) within 24 Hours	Parity with VZ Retail	98.49	100.00	797	12
MR-4-06-2200 % Out of Service > 4 hours - Specials	Parity with VZ Retail	49.50	63.64	796	11
MR-4-07-2200 % Out of Service > 12 hours - Specials	Parity with VZ Retail	5.53	9.09	796	11
MR-4-08-2200 % Out of Service > 24 Hours - Specials	Parity with VZ Retail	1.51	0.00	796	11
MR-5 - Repeat Trouble Reports					
MR-5-01-2200 % Repeat Reports within 30 Days	Parity with VZ Retail	16.56	16.67	797	12

UNE PROVISIONING - POTS / SPECIAL SERVICES

Special Services - Provisioning

PR-6 - Installation Quality					
PR-6-01-3200 % Installation Troubles reported within 30 Days	Parity with VZ Retail	3.14	7.79	1337	77
PR-6-03-3200 % Installation Troubles reported within 30 Days - FOK/TOK/CPE	No Standard	0.97	1.30	1337	77

UNE MAINTENANCE - POTS / SPECIAL SERVICES

Special Services - Maintenance

MR-2 - Trouble Report Rate					
MR-2-01-3200 Network Trouble Report Rate	Parity with VZ Retail	0.22	3.12	369377	673
MR-2-05-3200 % CPE/TOK/FOK Trouble Report Rate	No Standard	0.32	4.01	369377	673
MR-4 - Trouble Duration Intervals					
MR-4-01-3200 Mean Time To Repair - Total	Parity with VZ Retail	5.45	3.44	797	21
MR-4-02-3200 Mean Time to Repair - Loop Trouble	Parity with VZ Retail	7.20	5.24	459	8
MR-4-04-3200 % Cleared (all troubles) within 24 Hours	Parity with VZ Retail	98.49	100.00	797	21
MR-4-06-3200 % Out of Service > 4 hours	Parity with VZ Retail	49.50	40.00	796	20
MR-4-07-3200 % Out of Service > 12 hours	Parity with VZ Retail	5.53	0.00	796	20
MR-4-08-3200 % Out of Service > 24 Hours	Parity with VZ Retail	1.51	0.00	796	20
MR-5 - Repeat Trouble Reports					
MR-5-01-3200 % Repeat Reports within 30 Days	Parity with VZ Retail	16.56	14.29	797	21

Carrier to Carrier
Performance Standards and Reports
September 2001
Verizon New Jersey

CLEC Aggregate Performance
RESALE PROVISIONING - POTS / SPECIAL SERVICES

Special Services - Provisioning		Standard	Actual Performance		Number of Observations	
			VZ	CLEC Aggregate	VZ	CLEC Aggregate
PR-6- Installation Quality						
PR-6-01-2200	% Installation Troubles reported within 30 Days	Parity with VZ Retail	1.17	0.00	2569	82
PR-6-03-2200	% Installation Troubles reported within 30 Days - FOK/TOK/CPE	No Standard	0.23	0.00	2569	82

RESALE MAINTENANCE - POTS/SPECIAL SERVICES

Special Services - Maintenance		Standard	Actual Performance		Number of Observations	
			VZ	CLEC Aggregate	VZ	CLEC Aggregate
MR-2 - Trouble Report Rate						
MR-2-01-2200	Network Trouble Report Rate - Total	Parity with VZ Retail	0.19	0.55	367520	1996
MR-2-05-2200	% CPE/TOK/FOK Trouble Report Rate	No Standard	0.25	1.10	367520	1996
MR-4 - Trouble Duration Intervals						
MR-4-01-2200	Mean Time To Repair - Total	Parity with VZ Retail	6.84	4.05	705	11
MR-4-02-2200	Mean Time to Repair - Loop Trouble - Specials	Parity with VZ Retail	6.57	4.88	311	6
MR-4-04-2200	% Cleared (all troubles) within 24 Hours	Parity with VZ Retail	95.74	100.00	705	11
MR-4-06-2200	% Out of Service > 4 hours - Specials	Parity with VZ Retail	49.72	40.00	702	10
MR-4-07-2200	% Out of Service > 12 hours - Specials	Parity with VZ Retail	16.81	0.00	702	10
MR-4-08-2200	% Out of Service > 24 Hours - Specials	Parity with VZ Retail	4.27	0.00	702	10
MR-5 - Repeat Trouble Reports						
MR-5-01-2200	% Repeat Reports within 30 Days	Parity with VZ Retail	11.63	9.09	705	11

UNE PROVISIONING - POTS / SPECIAL SERVICES

Special Services - Provisioning		Standard	Actual Performance		Number of Observations	
			VZ	CLEC Aggregate	VZ	CLEC Aggregate
PR-6 - Installation Quality						
PR-6-01-3200	% Installation Troubles reported within 30 Days	Parity with VZ Retail	1.17	9.33	2569	75
PR-6-03-3200	% Installation Troubles reported within 30 Days - FOK/TOK/CPE	No Standard	0.23	0.00	2569	75

UNE MAINTENANCE - POTS / SPECIAL SERVICES

Special Services - Maintenance		Standard	Actual Performance		Number of Observations	
			VZ	CLEC Aggregate	VZ	CLEC Aggregate
MR-2 - Trouble Report Rate						
MR-2-01-3200	Network Trouble Report Rate	Parity with VZ Retail	0.19	2.63	367520	722
MR-2-05-3200	% CPE/TOK/FOK Trouble Report Rate	No Standard	0.25	4.02	367520	722
MR-4 - Trouble Duration Intervals						
MR-4-01-3200	Mean Time To Repair - Total	Parity with VZ Retail	6.84	15.07	705	19
MR-4-02-3200	Mean Time to Repair - Loop Trouble	Parity with VZ Retail	6.57	11.88	311	2
MR-4-04-3200	% Cleared (all troubles) within 24 Hours	Parity with VZ Retail	95.74	68.42	705	19
MR-4-06-3200	% Out of Service > 4 hours	Parity with VZ Retail	49.72	77.78	702	18
MR-4-07-3200	% Out of Service > 12 hours	Parity with VZ Retail	16.81	55.56	702	18
MR-4-08-3200	% Out of Service > 24 Hours	Parity with VZ Retail	4.27	33.33	702	18
MR-5 - Repeat Trouble Reports						
MR-5-01-3200	% Repeat Reports within 30 Days	Parity with VZ Retail	11.63	5.26	705	19

Carrier to Carrier
Performance Standards and Reports
October 2001
Verizon New Jersey

CLEC Aggregate Performance
RESALE PROVISIONING - POTS / SPECIAL SERVICES

Special Services - Provisioning

	Standard	Actual Performance		Number of Observations	
		VZ	CLEC Aggregate	VZ	CLEC Aggregate
PR-6- Installation Quality					
PR-6-01-2200 % Installation Troubles reported within 30 Days	Parity with VZ Retail	2.45	0.78	1428	129
PR-6-03-2200 % Installation Troubles reported within 30 Days - FOK/TOK/CPE	No Standard	2.10	0.00	1428	129

RESALE MAINTENANCE - POTS/SPECIAL SERVICES

Special Services - Maintenance

	MR-2 - Trouble Report Rate				
MR-2-01-2200 Network Trouble Report Rate - Total	Parity with VZ Retail	0.18	0.45	366666	2011
MR-2-05-2200 % CPE/TOK/FOK Trouble Report Rate	No Standard	0.30	0.55	366666	2011
	MR-4 - Trouble Duration Intervals				
MR-4-01-2200 Mean Time To Repair - Total	Parity with VZ Retail	4.39	5.30	648	9
MR-4-02-2200 Mean Time to Repair - Loop Trouble - Specials	Parity with VZ Retail	5.43	5.18	368	7
MR-4-04-2200 % Cleared (all troubles) within 24 Hours	Parity with VZ Retail	99.38	100.00	648	9
MR-4-06-2200 % Out of Service > 4 hours - Specials	Parity with VZ Retail	39.20	57.14	648	7
MR-4-07-2200 % Out of Service > 12 hours - Specials	Parity with VZ Retail	4.01	0.00	648	7
MR-4-08-2200 % Out of Service > 24 Hours - Specials	Parity with VZ Retail	0.62	0.00	648	7
	MR-5 - Repeat Trouble Reports				
MR-5-01-2200 % Repeat Reports within 30 Days	Parity with VZ Retail	15.74	33.33	648	9

UNE PROVISIONING - POTS / SPECIAL SERVICES

Special Services - Provisioning

	PR-6 - Installation Quality				
PR-6-01-3200 % Installation Troubles reported within 30 Days	Parity with VZ Retail	2.45	9.21	1428	76
PR-6-03-3200 % Installation Troubles reported within 30 Days - FOK/TOK/CPE	No Standard	2.10	1.32	1428	76

UNE MAINTENANCE - POTS / SPECIAL SERVICES

Special Services - Maintenance

	MR-2 - Trouble Report Rate				
MR-2-01-3200 Network Trouble Report Rate	Parity with VZ Retail	0.18	1.64	366666	793
MR-2-05-3200 % CPE/TOK/FOK Trouble Report Rate	No Standard	0.30	4.29	366666	793
	MR-4 - Trouble Duration Intervals				
MR-4-01-3200 Mean Time To Repair - Total	Parity with VZ Retail	4.39	4.51	648	13
MR-4-02-3200 Mean Time to Repair - Loop Trouble	Parity with VZ Retail	5.43	3.41	368	3
MR-4-04-3200 % Cleared (all troubles) within 24 Hours	Parity with VZ Retail	99.38	100.00	648	13
MR-4-06-3200 % Out of Service > 4 hours	Parity with VZ Retail	39.20	46.15	648	13
MR-4-07-3200 % Out of Service > 12 hours	Parity with VZ Retail	4.01	7.69	648	13
MR-4-08-3200 % Out of Service > 24 Hours	Parity with VZ Retail	0.62	0.00	648	13
	MR-5 - Repeat Trouble Reports				
MR-5-01-3200 % Repeat Reports within 30 Days	Parity with VZ Retail	15.74	15.38	648	13

Carrier to Carrier
Performance Standards and Reports
November 2001
Verizon New Jersey

CLEC Aggregate Performance
RESALE PROVISIONING - POTS / SPECIAL SERVICES

Special Services - Provisioning		Standard	Actual Performance		Number of Observations	
			VZ	CLEC Aggregate	VZ	CLEC Aggregate
PR-6 - Installation Quality						
PR-6-01-2200	% Installation Troubles reported within 30 Days	Parity with VZ Retail	2.14	0.00	886	112
PR-6-03-2200	% Installation Troubles reported within 30 Days - FOK/TOK/CPE	No Standard	1.02	0.00	886	112

RESALE MAINTENANCE - POTS/SPECIAL SERVICES

Special Services - Maintenance		Standard	Actual Performance		Number of Observations	
			VZ	CLEC Aggregate	VZ	CLEC Aggregate
MR-2 - Trouble Report Rate						
MR-2-01-2200	Network Trouble Report Rate - Total	Parity with VZ Retail	0.17	0.00	364894	2101
MR-2-05-2200	% CPE/TOK/FOK Trouble Report Rate	No Standard	0.24	0.33	364894	2101
MR-4 - Trouble Duration Intervals						
MR-4-01-2200	Mean Time To Repair - Total	Parity with VZ Retail	5.09	NA	624	
MR-4-02-2200	Mean Time to Repair - Loop Trouble	Parity with VZ Retail	6.29	NA	316	
MR-4-04-2200	% Cleared (all troubles) within 24 Hours	Parity with VZ Retail	98.72	NA	624	
MR-4-06-2200	% Out of Service > 4 hours	Parity with VZ Retail	46.47	NA	624	
MR-4-07-2200	% Out of Service > 12 hours	Parity with VZ Retail	5.77	NA	624	
MR-4-08-2200	% Out of Service > 24 Hours	Parity with VZ Retail	1.28	NA	624	
MR-5 - Repeat Trouble Reports						
MR-5-01-2200	% Repeat Reports within 30 Days	Parity with VZ Retail	19.39	NA	624	

UNE PROVISIONING - POTS / SPECIAL SERVICES

Special Services - Provisioning		Standard	Actual Performance		Number of Observations	
			VZ	CLEC Aggregate	VZ	CLEC Aggregate
PR-6 - Installation Quality						
PR-6-01-3200	% Installation Troubles reported within 30 Days	Parity with VZ Retail	2.14	11.11	886	54
PR-6-03-3200	% Installation Troubles reported within 30 Days - FOK/TOK/CPE	No Standard	1.02	0.00	886	54

UNE MAINTENANCE - POTS / SPECIAL SERVICES

Special Services - Maintenance		Standard	Actual Performance		Number of Observations	
			VZ	CLEC Aggregate	VZ	CLEC Aggregate
MR-2 - Trouble Report Rate						
MR-2-01-3200	Network Trouble Report Rate - Total	Parity with VZ Retail	0.17	2.59	364894	810
MR-2-05-3200	% CPE/TOK/FOK Trouble Report Rate	No Standard	0.24	2.22	364894	810
MR-4 - Trouble Duration Intervals						
MR-4-01-3200	Mean Time To Repair - Total	Parity with VZ Retail	5.09	8.40	624	21
MR-4-02-3200	Mean Time to Repair - Loop Trouble	Parity with VZ Retail	6.29	7.58	316	7
MR-4-04-3200	% Cleared (all troubles) within 24 Hours	Parity with VZ Retail	98.72	90.48	624	21
MR-4-06-3200	% Out of Service > 4 hours	Parity with VZ Retail	46.47	60.00	624	20
MR-4-07-3200	% Out of Service > 12 hours	Parity with VZ Retail	5.77	15.00	624	20
MR-4-08-3200	% Out of Service > 24 Hours	Parity with VZ Retail	1.28	10.00	624	20
MR-5 - Repeat Trouble Reports						
MR-5-01-3200	% Repeat Reports within 30 Days	Parity with VZ Retail	19.39	9.52	624	21